



NEWS

FOR IMMEDIATE RELEASE

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FOR MORE INFORMATION:

Sonora Cummings 301-545-5982

Eagle Physicians & Associates Joins MAMSI

Agreement Significantly Increases Physicians Available to MAMSI Life and Health Insurance Company and Optimum Choice of the Carolinas, Inc. Members

Research Triangle Park, NC – Mid Atlantic Medical Services, Inc. (MAMSI) (NYSE: MME), one of the mid-Atlantic region's largest health services companies, today announced that they have added Eagle Physicians & Associates to their network in North Carolina, effective January 1, 2002. The addition of Eagle Physicians & Associates – a premier physician group in the Greensboro area – doubles the number of primary care physicians available to MAMSI health plan members in the area. The terms of the agreement were not disclosed.

“Over the last year, MAMSI has strengthened its North Carolina network,” said Sheldon Orkin, General Manager of MAMSI's North Carolina region. “The addition of Eagle Physicians & Associates shows our commitment to giving our health plan members access to a comprehensive network of physicians, health care practitioners and facilities as well as outstanding customer service.”

Eagle Physicians & Associates, which was formed in 1995, currently has approximately 60 primary care physicians and specialists. Eagle operates 13 practices throughout Guilford County including family practice, internal medicine, pediatrics, rheumatology, cardiology, gastroenterology and a hospitalist program.

“Eagle's mission is to provide high quality, cost-effective medical care with understanding and compassion and to promote the benefits of appropriate primary and specialty health care without compromising quality,” said Fran Sembert, Director of Managed Care for Eagle Physicians & Associates. “We are pleased with the addition of MAMSI Health Plans and feel that they are committed to offering their members access to high quality medical care.”

MAMSI is one of the mid-Atlantic region's largest health services companies with subsidiaries covering over 1.8 million lives in Maryland, Washington, D.C., Virginia, Delaware, North Carolina, Pennsylvania and West Virginia. Its health plans in North Carolina include Alliance PPO, LLC (Alliance), MAMSI Life and Health Insurance Company (MLH) and Optimum Choice of the Carolinas, Inc. (OCCI). For more information about MAMSI, visit www.mamsi.com.

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Note 1: Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: All forward-looking information or statements contained in this release, including expectations regarding future or continued performance, are based on management's current knowledge of factors, all with inherent risks and uncertainties, affecting MAMSI's business. MAMSI's actual results may differ materially if these assumptions prove invalid. Significant risk factors, while not all-inclusive, are: the possibility of increasing price competition in the Company's marketplace; the possibility that the Company is not able to increase its market share at the anticipated premium rate; the possibility of increased litigation, legislation or regulation that might increase regulatory oversight which, in turn, would have the potential for increased costs; the possibility of increased medical expenses due to increased utilization, inflation or legislative mandates; and the possibility that the Company is not able to negotiate new or renewal contracts with appropriate physicians and health care practitioners. Investors should review other risks and uncertainties contained in Company documents filed with the Securities and Exchange Commission.

Note 2: MAMSI is a regional holding company for health care organizations that provides comprehensive health insurance products and services including: three health maintenance organizations, MD-Individual Practice Association, Inc. (M.D. IPA), Optimum Choice, Inc.® (OCI) and Optimum Choice of the Carolinas, Inc. (OCCI); a preferred provider organization, Alliance PPO, LLC; a life and health insurance company, MAMSI Life and Health Insurance Company (MLH); and home care companies such as HomeCall, Inc., FirstCall, Inc., and HomeCall Pharmaceutical Services, Inc.